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INFORMATION RELEASE
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How the state budget could impact Juneau's local government

The level of cuts being proposed in Governor Michael Dunleavy's state budget would have a devastating impact on local communities, including Juneau. As the state budget process moves forward, information will evolve. This is an initial look at how the City and Borough of Juneau, as well as the Juneau economy, could be affected directly. The impacts to other communities are likely to be equally dismal.

- The City and Borough of Juneau would experience a direct loss of about \$8.5 million in fiscal year 2020 from state programs that are proposed for elimination. This equates to an 8 percent cut in CBJ's overall revenue. Where \$8.5 million comes from:
 - \$7.1 million in school bond debt reimbursement
 - About \$800,000 in community assistance (formerly called state revenue sharing)
 - About \$400,000 in shared fisheries taxes
- The Juneau School District would experience a direct loss of at least \$10 million due to the proposed 26 percent cut in education funding through the foundation program, as well as in the allowable local contribution. What this could mean:
 - Previous cuts of \$11 million since 2011 have resulted in the loss of 92 full time positions; another cut of this size could lead to similar job losses in a single year
 - Class sizes would increase, programs and services would be cut
- Bartlett Regional Hospital would experience a loss of about \$6.2 million in Medicaid funding, which would have an adverse effect on hospital operations, including loss of services and jobs.

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For more information, contact the City Manager's office at 586-5240.